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Development (1947) (~~1951~~) **Department.**

MS. **SERIES.**

G.O. No. 4181

Dated 26.8.47

[Despatch Abstract.]

Agriculture - Experiments - Cream jaggery - Production by Agricultural Department - Dropped - Additional expenditure - Sanctioned.

From AGRICULTURAL DEPARTMENT

Rao Bahadur B. Viswa Nath,
Director of Agriculture,
Madras.

To
The Additional Secretary to
Government,
Development Department, Madras.

No. D3/64/46 dated 20th October 1946.

Sir,

Sub:- Civil Supplies - Cream Jaggery - Production by the Agricultural Department - Report submitted.

Ref:- G.O. No. 4984, Development, dated 18.12.1945.

In the G.O. cited, Government sanctioned the production of ten tons of cream jaggery during 1945-46 season at a cost not exceeding Rs. 3,114/- at the Agricultural Research Stations, Anakapalle and Palur and Central farm, Coimbatore with a view to popularise the production and consumption of cream jaggery. The scheme envisaged that the ten tons of cream jaggery produced under the scheme should be sold at the prevailing rates for ordinary jaggery. Government also ordered that a complete pro forma accounts showing the transactions in respect of the manufacture and sale of cream jaggery should be maintained and that a report indicating the net profit or loss as the case may be, arising/the scheme, should be submitted to Government in due course. The following report is accordingly submitted.

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2. In Statement No. I, the quantity of cream jaggery produced at each station and the actual cost of production are given. As against a total quantity of 10 tons or 22,400 lbs. only 19,878 lb. of cream jaggery have been produced. As against the sanctioned amount of Rs. 3,114/- the actual expenditure incurred at the three stations works out to Rs. 3,693-14-6. It was estimated that 250 lb. of cream jaggery could be produced at a cost of Rs. 34-12-0. On this basis the total estimated cost for producing 19,878 lbs. of cream jaggery is Rs. 2,825-6-11. The actual expenditure of Rs. 3,693-14-6 is 31 per cent more than anticipated. The extra expenditure is 45% at the Central Farm 20% at Anakapalle and 32% at Palur. The actual cost of production per lb. works out to 3.23 annas per lb. or 9.69 annas a viss in the Central Farm, 2.815 annas a lb. or 8.45 annas a viss for Anakapalle and 2.93 annas per lb. or 8.79 annas a visss for Palur, as against an estimate of 2.24 annas per lb. or 8.67 annas a viss made in 1944.

3. In Statement No. II, comparative figures of the estimated cost of production and actual cost of production in the various centres under each item of charge is given. It will be seen therefrom that the expenditure on cost of cane in every case has been higher than was estimated and so also the cost of activated carbon. The making charges are slightly higher than was anticipated at the Central Farm and Palur and lower in the caseof Anakapalle.

4. The following statement snows tne quantity of sugar-cane to be used as per estimates originally prepared and t actual quantity of sugarcane used:-

Station.	Estimated quantity.	Actual quantity.
Central Farm.	27 tons.	37 tons.
Anakapalle.	38 tons.	39 tons.
Palur.	23 tons.	24 tons.

The above figures indicate that Palur and Anakapalle had used sugar-cane almost approximating to the quantity anticipated

i.e. on the basis of 65% extraction of juice. At the Central Farm over 30% more cane than was anticipated was used. This was due to the inferior qualtity of cane and low extractability occasioned by late crushing of the cane released from the experimental plots under Government Entomologist. Originally the cost of sugarcane was estimated at Rs. 17/- per ton. But the actual cost of sugarcane at the time of working the scheme was Rs. 18-8-0 for Coimbatore, Rs. 25/- for Anakapalle and Rs. 22-8-0 for Palur. This increase in price account for the increased cost of cane given in Statement No. II.

5. The scheme submitted to the Government envisaged that 10 lbs. of activated carbon will be required to produce 250 lbs. of cream jaggery. The quantities to be used at each centre on the basis of the above estimate and those actually used are furnished below:-

Centre.	Estimated quantity.	Actual quantity.
Central Farm.	244 lb.	1,000 lb.
Anakapalle.	340 lbs.	546 lb.
Palur.	211.lb.	474 lb.

Wide disparities will be noticed in the above figures. I consider this as an index of what may be expected when work is newly begun. The farm had not been doing this work for the past ten years and on this large scale. With experience the quantities used are bound to come down leading to lower cost of production.

6. In my letter No. C2/1776/44 dated 12th December 1944 I had reported to Government that the prevailing price of ordinary jaggery was 8 annas per viss or 3 lb. and the extra cost for making cream jaggery was 1 anna per viss. I had also informed Government that the cream jaggery would be sold at the prevailing price of ordinary jagger This means that roughly, a loss of 1 anna was anticipated. On this basis the total anticipated loss for the quantity of 19,878 lb. of cream jaggery manufactured in the three centres is Rs. 414-2-0 as against a sum of Rs. 624-5-6 which actually arose at the three stations as shown below:-

Central Farm.	Rs. 32-8-4.
Anakapalle.	Rs.527-8-7.
Palur.	Rs. 24-4-7.
Total.	Rs. 584-5-6.

The actual loss has thus been 50 per cent more than what was anticipated and that means the price per viss was 1½ annas higher than the ordinary jaggery instead of 1 anna anticipated in 1944. The extra loss is attributable to a much higher cost of production of cream jaggery than was anticipated due to increased cost of sugarcane and the increased expenditure on activated carbon. As stated in a previous paragraph, this is due to lack of experience. I anticipate that with more experience the whole process can be managed more economically.

7. In Statement No. IIIa/consolidated Manufacturing profit and loss account in respect of the three centres is furnished. The cost of production by ryots on an extensive scale would certainly be lower than at the farm where labour charges are high and other costs had to be added for accounting purposes.

8. The work at the three stations has amply substantiated the suggestion that if jaggery, as a cottage industry is to be improved, the Government should take the initiative in producing lar

quantities of cream jaggery and flood the markets in order to create and develop a taste for a better class of jaggery over a period of time. Having regard to the effort and money which theGovernment are incurring for assisting sugar production, there is an unassailable case for active and extended assistance for cream jaggery - ~~deleted~~ a cottage industry which still consumes over 60% of cane. If the Government propose to do anything in the matter, I shall submit proposal for a very extensive campaign. Meanwhile I request:-

(1) that the extra expenditure of Rs. 579-14-6 incurred over and above the sanctioned amount of Rs. 3,114/- may kindly be approved; and

(ii) that permission may be granted to continue the work on as many farms as possible and sustain if necessary a total loss of not exceeding Rs. 10,000/- in the coming season.

(Sd) x x x x
For Director of Agriculture.

Copy to the Accountant-General, Madras.
Copy to the Special Officer, Food Department, Fort St. George, Madras.
Copy to the Superintendent, Agricultural Research Station, Anakapalle.
Copy to theSuperintendent, Central Farm, Coimbatore through the Principal, Agricultural College, Lawley Road, Coimbatore.
Copy to the Deputy Directors of Agriculture, Tanjore and Vizagapatam.

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STATEMENT NO. II.

Statement showing Cream jaggery produced with cost.

	Quantity expected. Lb.	Quantity produced. lb.		Estimated cost. Rs.	Actual cost, Rs.	Difference, Rs.	Percentage increase.
Central Farm.	3,360	6,103	848	5-11-0	1231- 2-7	382-13-6	46.
Anakapalle.	10,520	8,503	1244	4-10-0	1496- 3-4	251-14-6	20.
Palur.	10,520	5,272	732	13- 0-0	966-8-7	233-11-7	32.
Total.	24,400	19,787	2825	22-11-0	3693-14-6	868- 7-7	31.

STATEMENT II.

Consolidated manufacturing account.

Direct charges.	Palur.	Anakapalle.	Central fa
1. Cost of cane.	536-10-0	987- 4-6	681- 9-3.
2. Cost of activated carbon.	133- 3-0	209-10-1	156- 4-0.
3. Labour charges.	145-14-0	133- 3-10	272- 0-0.
4. Reactivation charges.	23- 4-4.		
Total.	838- 5-4.	1,330- 2-5.	1,109-13-3
OTHER CHARGES.			
1. Electricity.	...	...	18- 7-0
2- Cane crushing.	4-11-0.	...	5- 0-0.
3. Mil yard and furnance sheds.	19- 1-0.	10- 0-0.	10- 0-0.
4. Cooly charges.	...	10- 6-5	17- 8-0.
5. Hire charges.	24- 0-0.	78- 0-0.	35- 0-0.
6. Milk.	7- 8-0.	12-15-0.	17- 5-4.
7. Lime and other sundries.	8-14-3	8- 9-0.	1- 0-0.
8. Maintenance of cattle.	43- 0-0.	38- 4-7.	...
Total.	108- 4-3.	158- 3-0.	104- 4-4.

	Palur	Anakapalle.	Central farm.
Indirect charges.			
Proportionate pay of staff.	19- 0-0.	7- 13-11.	10- 1-0.
Grand total.	966- 8-7.	1,496- 3-4.	1,231- 2-7.

CONSOLIDATED PROFIT AND LOSS ACCOUNT.

As per Manufacturing Account.	966- 8-7.	1,496- 3-4.	1,231- 2-7
Popularising cream jaggery.	22- 9-0.	...	1- 9-7
Loss in handling.	1- 5-0.	...	37- 3-2
Proportionate pay of store keeper.	...	3-1-0.	....
Total expenditure.	990- 6-7.	1,499- 4-4.	1,269-15-4
Less receipts.	966- 2-0.	971-11-9	1,237- 7-0
Net loss.	24- 4-7.	527- 8-7.	32- 8-4

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AGRICULTURAL DEPARTMENT

From

M.S. Sivaraman, Esq., I.C.S.,
Director of Agriculture,
Madras.

To

The Additional Secretary to Government,
Development Department,
Madras.

No. D3/64/46 dated 18th June 1947.

Sir,

Sub:- Agriculture - Experiments - Cream jaggery - Production - Propaganda.

Ref:- Government Memorandum No. 14630-A/II/47-3 dated 13th May 1947.

I have gone carefully into the details connect with the economics of cream jaggery production and I find that I have to disagree with Rao Bahadur Viswa Nath on the need for continuing propaganda and demonstration. My reasons are as follows:-

(i) the only advantage which cream jaggery has over ordina jaggery is the attractive cream colour which is found to be temporary and its freedom from impurities;

(ii) the manufacture of cream jaggery is more costly than in the case of ordinary jaggery as will be seen from the actual costs of production in Anakapalle Farm during 1946.

Actual cost of production of (Ordinary) jaggery per ton during 1946.

Cost of manufacture.	Rs. 48-14-0.
Cost of 8.67 tons of cane at Rs. 25/- per ton (including rental value) necessary to yield 1 ton of jaggery.	Rs.216-12-0.
Total.	Rs.265-10-0.

Economics of manufacturing Cream jaggery and ordinary jaggeries - Sugarcane Research Station, Anakapalle, 1945-46 (April-May).

	Ordinary jaggery.		Cream jaggery.	
		Rs.		Rs.
1.	Crushing one ton of cane 1 pair, 1 man at 14 annas, 1 woman at 5 annas.	2- 3-0.	1 pair, 1 man at 14 annas, 1 woman at 5 annas.	2-3-0.
2	Boiling juice - 2 men at 10 annas each.	1- 4-0.	2½ men at 10 each.	1-9-0.
3.	Transporting hot juice to settling pan.	...	1/8 man at 10 annas.	0-1-3.
			¾ man at 10 annas.	0-7-6.
			1 boy at 4 annas.	0-4-0.
			One Woman.	0-5-0.
4.	Transporting water from a well nearby 1/8 man at 10 annas.	0- 1-3.	Cost of mould baskets, etc and filter cloth and active carbon (Assuming 60% extraction 1344 lb. juice is got cost of active carbon at 6 annas to treat 100 lb. juice is (Rs. 5-0-8).	5-5-8.
5.	A boy near filter bucket to watch filtration, etc.	...	Milk one seer.	0-6-0.
6.	For washing moulds, etc. 1 woman.	0- 5-0.	Hire charges on pans, etc	2-0-0.
7.	Cost of clarificant (lime or carbon) mould baskets and cloth, etc.	0- 5-0.		
8.	Hire on mill, pan, etc ((assumed).	1- 8-0.		
	Total.	5-10-3.		12-9-5.
	Jaggery recovery at 11.54% on cane weight.	258.5 lbs.	Jaggery recovery at 10.63% on cane weight	238.0
	Cost of manufacture per lb.	4.19 pies.	Cost of manufacture per lb.	10.
			Increased cost of production per lb.	5 I

N.B. (1) Cost of maintaining one pair of bullocks at this station was C rupee on one rupee per day. In one day of eight hours one pai crushes a maximum of one ton of cane.

(2). Since there are copper pans also hire charges in the case of cream jaggery are increased.

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GOVERNMENT OF MADRAS.
Abstract.

Agriculture - Experiments - Cream Jaggery - Production by the Agricultural Department - Dropped - Additional expenditure - Sanctioned.

DEVELOPMENT DEPARTMENT

G.O.. Ms. No. 4181. Dated the 26th August 1947.

Read:-

G.O. Ms. No. 4984, Development, dated 18.12.1945.
From the Director of Agriculture, No. D3/64/45 dated 20.10.1946.
From the Director of Agriculture, No. D3/64/46 dated 18.6.1947.

Order:-

Recorded.

2. The expenditure of Rs. 579-14-6 (Rupees five hundred and seventy nine annas fifte fourteen and pies six only) incurred

Actual cost of production of (Cream) jaggery per ton during 1946.

Cost of manufacture.	Rs. 118-12-0.
Cost of 9.44 tons of cane at Rs. 25/- per ton (including rental value) necessary to yield 1 ton jaggery.	Rs. 235- 4-0.
Total.	Rs. 354- 0-0

Further details are furnished in the statement appended. Indirect charges such as proportionate pay of Farm Manager and Maistry and charges on mill yard and furnance shed which were taken into account while preparing the pro forma accounts last year are not included in the costs.

(iii) The percentage of recovery of cream jaggery is less being 10.63% as against 11.54% for ordinary jaggery.

(iv) Cream jaggery loses its colour on keeping for more than two months and slowly reverts to the colour of ordinary jaggery. The cane crop has to be crushed when it matures and the crushing season usually closes by April-May. Jaggery has to be manufactured and stored for consumption during the rest of the months. In the storage the colour of cream jaggery deteriorates. It can thereafter be sold for same price as ordinary jaggery. In that case the increased cost of production cannot be realised.

(v) The people who use while ~~it~~ crystalline sugar will not ordinarily buy cream jaggery for use as sugar because of the smell and taste of jaggery. On the other hand, people who generally use jaggery being poor cannot afford to buy cream jaggery as it is priced more.

(vi) In sweets and preparations in which jaggery is used, cream jaggery has no special merit over the ordinary jaggery.

(vii) Demonstrations on production of cream jaggery have been conducted during the past twenty years. Such demonistrations are generally asked for, only by rich ryots for preparing a small quantity for personal consumption as a novelty. But there is no one who has taken to it on a commercial scale with the object of selling it. The reasons for this apathy are the high cost of production and the transient nature of its colour with no corresponding advantage.

2. In view of these disadvantages, I am of opinion that there can never be a general demand for cream jaggery from the public.

3. In these circumstances large scale expenditure on conducting demonstrations with the object of popularising cream jaggery is not warranted. I therefore request that the matter/be dropped.

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M.S. Sivaraman,
Director of Agriculture.

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by the Director of Agriculture over and above the amount sanctioned in G.O. Ms. No. 4984, Development, dated 18.12.1945 for the production of cream jaggery is approved.

(By Order of His Excellency theGovernor).

W.R.S. Sattianathan,
Secretary to Government.

To

The Director of Agriculture.
The Accountant-General through the Finance Department.

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/True copy/

Office Assistant,
Madras Record Office.

k.y.s.

STATEMENT II.

Comparative statement showing estimated and actual cost of production of cream jaggery.

Particulars.	Estimated cost for producing 250 lbs. of cream jaggery.	Central Farm.		Anakapalle.	
		Estimated cost of producing 6103 lbs.	Actual cost of producing 6103 lbs.	Estimated cost of producing 8503 lbs.	Actual cost of producing 8503 lbs.
(1)	(2)	(3)	(4)	(5)	(6)
	Rs.	Rs.	Rs.	Rs.	Rs.
1. Cost of cane.	18-14-0.	460-12-5	681- 9-3	704- 7-10	987- 4-
2. Cost of activated Carbon.	2- 8-0.	61- 0-6	156- 4-0	85- 0-5	209-10-
3. Making charges.	12- 8-0	305- 2-5	375-13-4	425- 2-5	288-14-
4. Extra labour.	0-14-0	21- 5-9	17- 8-0	29-10-2	10- 6-
Total.	34-12-0	848- 5-1	1,231- 2-7	1,244- 4-10	1,496- 3-
Difference.	...		382-13-6		251-14-6.
Percentage increase.			45%		20%.
Cost of production per lb. 2.224 annas.			3.23 annas.		2.815 annas.

	Palur.	
	Estimated cost of producing 5272 lbs.	Actual cost of producing 5272 lbs.
	(7)	(8)
	Rs.	Rs.
1. Cost of cane.	398- 0-6	536-10-0.
2. Cost of activated Carbon.	52-11-6	156-.7-4.
3. Making charges.	263- 9-10	273- 7-3.
4. Extra labour.	18- 7- 2	...
Total.	732-13-0.	966- 8-7.
Difference.		233-11-7.
Percentage increase.		32%.
Cost of production per lb. 2.224 annas.		2.93 annas.

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